

**ALASKA STATE LEGISLATURE  
SENATE LABOR AND COMMERCE STANDING COMMITTEE**

May 11, 2022

1:44 p.m.

**DRAFT**

**MEMBERS PRESENT**

Senator Mia Costello, Chair  
Senator Peter Micciche  
Senator Gary Stevens  
Senator Elvi Gray-Jackson

**MEMBERS ABSENT**

Senator Joshua Revak, Vice Chair

**COMMITTEE CALENDAR**

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 363 (FIN)

"An Act establishing the office of broadband; creating the broadband parity adjustment fund; establishing the Statewide Broadband Advisory Board; and providing for an effective date."

- MOVED SCS CSHB 363 (L&C) OUT OF COMMITTEE

SENATE BILL NO. 181

"An Act relating to identification requirements for contractors."

- MOVED CSSB 181 (CRA) OUT OF COMMITTEE

SENATE BILL NO. 237

"An Act exempting certain ambulatory surgical center employees from overtime pay requirements; and providing for an effective date."

- MOVED SB 237 OUT OF COMMITTEE

SENATE BILL NO. 232

"An Act relating to employee intellectual property."

- SCHEDULED BUT NOT HEARD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 363

SHORT TITLE: BROADBAND: OFFICE, GRANTS, PARITY

SPONSOR(s): REPRESENTATIVE(s) EDGMON

02/22/22	(H)	READ THE FIRST TIME - REFERRALS
02/22/22	(H)	L&C, FIN
03/09/22	(H)	L&C AT 3:15 PM BARNES 124
03/09/22	(H)	Heard & Held
03/09/22	(H)	MINUTE(L&C)
03/16/22	(H)	L&C AT 3:15 PM BARNES 124
03/16/22	(H)	Moved CSHB 363(L&C) Out of Committee
03/16/22	(H)	MINUTE(L&C)
03/18/22	(H)	L&C RPT CS(L&C) 4DP 2NR 1AM
03/18/22	(H)	DP: SCHRAGE, SNYDER, FIELDS, SPOHNHOLZ
03/18/22	(H)	NR: MCCARTY, NELSON
03/18/22	(H)	AM: KAUFMAN
03/24/22	(H)	FIN AT 1:30 PM ADAMS 519
03/24/22	(H)	<Bill Hearing Canceled>
03/30/22	(H)	FIN AT 1:30 PM ADAMS 519
03/30/22	(H)	Heard & Held
03/30/22	(H)	MINUTE(FIN)
04/15/22	(H)	FIN AT 1:30 PM ADAMS 519
04/15/22	(H)	Moved CSHB 363(FIN) Out of Committee
04/15/22	(H)	MINUTE(FIN)
04/20/22	(H)	FIN RPT CS(FIN) 6DP 1AM
04/20/22	(H)	DP: ORTIZ, EDGMON, LEBON, JOHNSON, JOSEPHSON, MERRICK
04/20/22	(H)	AM: CARPENTER
04/29/22	(H)	FIN CS ADOPTED Y36 N2 E1 A1
05/03/22	(H)	RETURNED TRANSMITTAL OF 5/2
05/03/22	(H)	VERSION: CSHB 363(FIN)
05/05/22	(H)	TRANSMITTED TO (S)
05/05/22	(H)	VERSION: CSHB 363(FIN)
05/05/22	(S)	READ THE FIRST TIME - REFERRALS
05/05/22	(S)	L&C, FIN
05/09/22	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
05/09/22	(S)	-- Invited & Public Testimony --
05/11/22	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 181

SHORT TITLE: IDENTIFICATION OF CONTRACTOR IN ADS

SPONSOR(s): COMMUNITY & REGIONAL AFFAIRS

02/04/22	(S)	READ THE FIRST TIME - REFERRALS
02/04/22	(S)	CRA, L&C
02/15/22	(S)	CRA AT 3:30 PM BELTZ 105 (TSBldg)
02/15/22	(S)	Heard & Held

02/15/22	(S)	MINUTE (CRA)
02/22/22	(S)	CRA AT 3:30 PM BELTZ 105 (TSBldg)
02/22/22	(S)	Moved CSSB 181 (CRA) Out of Committee
02/22/22	(S)	MINUTE (CRA)
02/23/22	(S)	CRA RPT CS 2DP 2NR NEW TITLE
02/23/22	(S)	DP: HUGHES, GRAY-JACKSON
02/23/22	(S)	NR: MYERS, WILSON
05/10/22	(S)	L&C AT 9:00 AM BELTZ 105 (TSBldg)
05/10/22	(S)	Scheduled but Not Heard
05/11/22	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 237

SHORT TITLE: AMBULATORY SURGICAL EMPLOYEES: OVERTIME

SPONSOR(s): RULES BY REQUEST OF THE GOVERNOR

03/23/22	(S)	READ THE FIRST TIME - REFERRALS
03/23/22	(S)	L&C
04/25/22	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
04/25/22	(S)	-- Invited & Public Testimony --
05/06/22	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)
05/06/22	(S)	-- Invited & Public Testimony --
05/11/22	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)

**WITNESS REGISTER**

REPRESENTATIVE BRYCE EDGMON

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Sponsor of HB 363.

KATIE MCCALL, Staff

Senator Mia Costello

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Presented the changes from version W to version D for HB 363.

CHAD RUPE, Broadband Program Manager

State of Montana

**POSITION STATEMENT:** Testified in support of HB 363.

MARK GOLDSTEIN, President

International Research Center (IRC)

Phoenix, Arizona

**POSITION STATEMENT:** Testified by invitation on HB 363.

MARK SPRINGER, representing self

Bethel, Alaska

**POSITION STATEMENT:** Commented on and offered suggestions on HB 363.

SHAWN WILLIAMS, Vice President of Government Affairs and Strategy

Pacific Dataport

Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of the Senate committee substitute for HB 363.

LESIL MCGUIRE, Consultant

OneWeb

Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of HB 363.

BRITTANY WOODS-ORRISON, Broadband Specialist

Alaska Public Interest Research Group and Native Movement

Fairbanks, Alaska

**POSITION STATEMENT:** Testified in support of HB 363.

SENATOR SHELLEY HUGHES

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Sponsor of SB 181.

DANIEL PHELPS, Staff

Senator Shelley Hughes

Alaska State Legislature

Juneau, Alaska

**POSITION STATEMENT:** Presented the sectional analysis for SB 181 on behalf of the sponsor.

GLENN HOSKINSON, Deputy Director

Division of Corporations Business and Professional Licensing

Department of Commerce, Community and Economic Development

Juneau, Alaska

**POSITION STATEMENT:** Answered questions during the hearing on SB 181.

CATHY MUNOZ, Deputy Commissioner

Department of Labor and Workforce Development

Juneau, Alaska

**POSITION STATEMENT:** Introduced SB 237 on behalf of the administration.

ALECIA RATHLIN, Investigator

Wage and Hour Office  
Division of Labor Standards and Safety  
Department of Labor and Workforce Development (DOLWD)  
Anchorage, Alaska

**POSITION STATEMENT:** Answered questions during the hearing on SB 237.

PAM VENGEN, Executive Director  
Alaska State Medical Association (ASMA)  
Anchorage, Alaska

**POSITION STATEMENT:** Stated support for SB 237.

KEVIN BARRY, CEO  
Alaska Surgery Center (ASC)  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SB 237 to allow employees more flexibility.

BRUCE JAYNE, CEO and Administrator  
Surgery Center of Anchorage  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SB 237.

MARY HOPKIN, representing self  
Anchorage, Alaska

**POSITION STATEMENT:** Testified in support of SB 237.

BRIAN BERG, Leadership Team  
Alpine Surgery Center  
Anchorage, Alaska

**POSITION STATEMENT** Testified in support of SB 237.

## **ACTION NARRATIVE**

[1:44:48 PM](#)

**CHAIR MIA COSTELLO** called the Senate Labor and Commerce Standing Committee meeting to order at 1:44 p.m. Present at the call to order were Senators Gray-Jackson, Micciche, and Chair Costello. Senator Stevens arrived during the course of the meeting.

### **HB 363-BROADBAND: OFFICE, GRANTS, PARITY**

[1:45:16 PM](#)

**CHAIR COSTELLO** announced the consideration of CS FOR HOUSE BILL NO. 363(FIN) "An Act establishing the office of broadband;

creating the broadband parity adjustment fund; establishing the Statewide Broadband Advisory Board; and providing for an effective date."

She advised the listening public that this committee sponsored and considered a version of this legislation this year so the topic was familiar. She asked the sponsor to introduce the bill, after which the committee would consider a Senate committee substitute.

[1:46:06 PM](#)

REPRESENTATIVE BRYCE EDGMON, Alaska State Legislature, Juneau, Alaska, sponsor of HB 363, stated that he introduced the bill because the state is on the cusp of receiving an unprecedented amount of federal money for broadband due to the passage of the federal Infrastructure Act in November 2021. Because there are no Alaska statutes addressing broadband, the bill follows the recommendations from the Governor's Broadband Taskforce that convened from May to November 2021. Both the House Labor and Commerce and Finance committees made slight changes as it went through the committee process. He continued to paraphrase the following sponsor statement:

[Original punctuation provided.]

**Sponsor Statement:**

CSHB 363(FIN) Broadband: Office, Grants, Parity

"An Act establishing the office of broadband; creating the broadband parity adjustment fund; establishing the Statewide Broadband Advisory Board; and providing for an effective date."

Last May, Gov. Dunleavy issued Administrative Order No. 322, establishing the Task Force on Broadband to develop policy objectives and steps necessary to prepare Alaska for a massive infusion of federal money through the federal Infrastructure, Investment, and Jobs Act (IIJA). The goal of the task force recommendations and IIJA is to move Alaska into the 21st century for broadband, and provide for essential services by creating the opportunity for communities to do things like routine two-way video conferencing, advanced telemedicine and educational opportunities, public safety improvements, and economic development.

House Bill 363 is written directly from the task force recommendations and as enabling legislation does three things: creates a broadband office, establishes a Broadband Parity Adjustment Fund, and forms a Statewide Broadband Advisory Board.

To be eligible for federal funding each state must establish a broadband office. In consultation with the administration, it was decided that the office would be housed in the Commerce, Community, and Economic Development (DCCED). It will initially contain three staff and will focus during the first year on planning activities and working with the FCC to complete the mapping process for the state. In alignment with IIJA, as times goes on, the office will prioritize broadband service expansion in the following priority order: **unserved areas, underserved areas, and anchor institutions.**

The Broadband Parity Adjustment Fund is a separate fund in the state treasury to be a repository of federal funds for the purposes of deploying high quality, affordable broadband across the Alaska. The Office may develop a program in the Fund to directly offset the costs of broadband for eligible consumers.

Finally, HB 363 creates the Statewide Broadband Advisory Board advise to the Office of Broadband and to facilitate statewide stakeholder engagement. The Board is composed of nine public members appointed by the Governor, two ex-officio legislative members, and the Commissioners of DCCED and the Dept. of Education & Early Development (DEED). The Board shall create a technical working group to provide recommendations to the Board comprised of members who have expertise in the different technologies that provide broadband service and who manage and deliver broadband projects in Alaska.

REPRESENTATIVE EDGMON said it's important to note that the bill references "technology neutral" and "tribes" several times. He conveyed that as much as Alaska is reacting to this once-in-a-lifetime opportunity, federal agencies are similarly reactive. The plan currently is for at least one federal employee to be in the state to work with the broadband office and stakeholders.

REPRESENTATIVE EDGMON said he looked at the draft Senate CS briefly and it appeared to have some very good changes. He looked forward to working with the committee.

[1:50:39 PM](#)

CHAIR COSTELLO said she appreciates his commitment to this topic. She agreed with his statement that this was a once-in-a-lifetime opportunity that will make a tremendous difference in the quality of life for many Alaskans.

CHAIR COSTELLO solicited a motion to adopt the Senate committee substitute.

[1:51:22 PM](#)

SENATOR MICCICHE moved to adopt the CS for House Bill 363, work order 32-LS1527\D, as the working document.

[1:51:42 PM](#)

At ease

[1:51:51 PM](#)

CHAIR COSTELLO reconvened the meeting and recognized Senator Micciche.

SENATOR MICCICHE restated the motion. He moved to adopt the Senate CS for CSHB 363, work order 32-LS1527\D, as the working document.

[1:52:09 PM](#)

CHAIR COSTELLO objected for a description of the changes.

[1:52:18 PM](#)

KATIE MCCALL, Staff, Senator Mia Costello, Alaska State Legislature, Juneau, Alaska, presented the following changes from version W to version D for HB 363:

**Page 1, Lines 1-4**

Amends the title of the bill to "An Act relating to broadband; establishing the office of broadband; providing for a broadband grant and loan program; establishing the Statewide Broadband Advisory Board; establishing community engagement task forces; and providing for an effective date."

**Sec. 1 - Page 1, Lines 6-14 & Page 2, Lines 1-31**

Adds legislative findings and intent language to convey the critical need for broadband, particularly



in unserved and underserved areas of the state. This section also highlights the importance of:

- affordable and quality broadband service in the state
- designing policies that ensure robust competition and maximize consumer welfare, innovation, and investment
- deploying broadband in high-cost areas and ensuring that low-income individuals can afford broadband
- 

The language in this section also notes that the purpose of this Act is to establish a grant and loan program that will support the extension of broadband infrastructure in unserved and underserved areas, and outlines the legislature's intent that any grant or loan to a private entity will be conditioned on a guarantee that the infrastructure will be developed and maintained for public use for a minimum of 30 years.

[1:56:28 PM](#)

**Sec. 2 - AS 44.33.910 Page 3, Lines 1-31 & Page 4, Lines 1-13**

Amends the powers and duties of the office of broadband, established in the Department of Commerce, Community, and Economic Development, by outlining that the office serves as the central planning body for broadband in the state and has the power and duty to:

- coordinate with local governments, tribes, public and private entities, nonprofit organizations, and consumer-owned and investor-owned utilities on broadband deployment and access plans
- review existing broadband initiatives, policies, and public and private investments
- develop a statewide plan to encourage cost-effective broadband access, particularly in rural and other unserved and underserved areas
- update broadband goals and definitions for broadband service in unserved and underserved areas as technology advances, though the definition for broadband service must be actual speeds of at least 25 Megabits per second download and three Megabits per second upload
- encourage public-private partnerships to increase deployment

- review and consider the recommendations of the Statewide Broadband Advisory Board established under AS 44.33.920

This section also states that when developing plans or strategies for broadband deployment, the office must consider the following:

- partnerships between communities, tribes, nonprofit organizations, local governments, consumer-owned and investor-owned utilities, and public and private entities
- funding opportunities that provide for the coordination of public, private, state, and federal funds for the purposes of making broadband available to unserved and underserved areas
- barriers to deployment, adoption, and use of broadband, including affordability and project logistics
- requiring the minimum broadband service of 25 Megabits per second download and three Megabits per second upload

This section also states that the office:

- may assist applicants for the grant and loan program established in this bill in seeking federal funding or matching grants and other grant opportunities for deploying broadband
- may take all appropriate steps to seek and apply for federal funds or grants for which the office is eligible, and may accept donations
- shall adopt regulations under AS 44.62 to carry out its duties

[1:59:54 PM](#)

**Sec. 44.33.915 Page 4, Lines 14-28**

Removes the parity adjustment fund found in Version W of the bill and creates the broadband grant and loan program in the office of broadband. The program will award funding to eligible applicants to expand access to broadband service in unserved and underserved areas. This section stipulates that the office shall work in collaboration with the Statewide Broadband Advisory Board to review applications and award grants.

Additionally:

- grants and loans may be awarded to assist in funding acquisition, installation, and

construction of middle mile and last mile infrastructure, and to assist in funding strategic planning for deploying broadband in unserved and underserved areas

The office:

- may fund all or part of an application
- shall award funds to qualified applicants in all regions of the state
- shall consider affordability and quality of service in making determinations on an application

[2:01:13 PM](#)

**Sec. 44.33.920 Page 4, Lines 29-31 & Page 5, Lines 1-20**

Amends the membership of the Statewide Broadband Advisory Board and stipulates that the advisory board shall work with the community engagement task forces established in this version of bill to consider the challenges and opportunities related to regional connectivity. The following eight members are appointed by the governor to serve three-year terms on the advisory board:

- a mechanical engineer
- a civil engineer
- an aerospace engineer
- one member with expertise in telecommunications
- one member with expertise in fiber optics
- one member with expertise in satellite technology
- one member with expertise in microwave technology
- a technology neutral consultant

This section provides that the technology neutral consultant receives a Range 27 salary, while all other members of the advisory board receive \$307 a day while attending meetings and are entitled to travel expenses.

[2:03:00 PM](#)

**Sec. 44.33.930 Page 5, Lines 21-31 & Page 6, Lines 1-16**

Establishes community engagement task forces. The director of the office of broadband shall appoint state residents to serve as needed, and shall include members representing:

- a tribe

- a broadband user
- a health care provider
- a member of the Alaska Search and Rescue Association or an operational member organization
- the social services sector
- a tribal or state governmental employee with access to judicial records
- the transportation industry
- a member of a regional development organization
- a local government public servant
- a state government public servant

This section provides that members of a community engagement task force receive \$307 a day while attending meetings and are entitled to travel expenses.

**Sec. 44.33.940 Page 6, Lines 17-25**

Provides definitions for:

- office
- underserved area
- unserved area

**Sec. 3 Page 6, Lines 26-27**

Lists sections repealed on June 30, 2030

**Sec. 4 Page 6, Line 28**

Has an immediate effective date

[2:05:14 PM](#)

CHAIR COSTELLO removed her objection; finding no further objection, the Senate CS for HB 363, version D, was adopted.

SENATOR STEVENS joined the committee.

[2:05:36 PM](#)

CHAIR COSTELLO opened public testimony on HB 363.

[2:05:55 PM](#)

CHAD RUPE, Broadband Program Manager, State of Montana, described his experience standing up and working on broadband programs at both the state and local levels. Most recently he completed the application for the Connect Montana program for the American Rescue Plan Act (ARPA) section 602 State and Local Fiscal Recovery Funds.

MR. RUPE offered the following suggestions and observations based on what he had learned through the Montana process

- Work to ensure that the state legislation does not overprescribe because it can create more problems than solutions.
- Align state law with the federal National Telecommunications and Information Administration (NTIA) requirements for deployment of Infrastructure Investment and Jobs Act (IIJA) funds.
- Creating a definition for "underserved" and including low latency in the model are very important
- Ensure the state is able to appropriately fund the deployment of broadband and fund contractors to enable monitoring throughout the life cycle
  - Flex the different contractors for different purposes
  - Montana chose to focus exclusively on a grant program to pay for monitoring because the burden of a loan program is much higher
  - Ensure there is a robust location-level statewide broadband mapping system, such as Montana has established
    - Readily identify areas as "served," "unserved," "under-served" and "frontier"
    - Think through decisions before disbursing funds
    - Ensure special funding is available to address fraud
    - Ensure compliance with NTIA for eligibility for funding
  - Develop a small but effective staff to deploy the funds
  - Have an independent consultant with experience working with the different agencies at the state and federal level who will understand the technical, financial, and managerial components of sustainability
  - Reduce the guaranteed term for providing service to an area from 30 years to 15 years
    - This would match the lifecycle of the hard assets deployed with the grant funding
  - Ensure the advisory board has someone who has been a provider
    - They will be uniquely qualified to identify issues
  - Include language to streamline permitting
    - Coordination between state and federal agencies will facilitate getting to the construction phase
    - Coordinate with Native villages

CHAIR COSTELLO expressed appreciation for the review and his experience.

[2:15:21 PM](#)

MARK GOLDSTEIN, President, International Research Center (IRC), Phoenix, Arizona, advised that IRC is a 30-year-old company that works in the areas of broadband, and smart technologies for homebuilding and cities and things that intersect with broadband. He recounted his professional credentials related to broadband.

[Mr. Goldstein's testimony was interrupted due to technical difficulties.]

[2:16:45 PM](#)

MR. GOLDSTEIN recounted his Alaska-focused client work with both Quintillion Networks and through a firm that writes grants for a number of Alaska Native tribes.

MR. GOLDSTEIN echoed Mr. Rupe's comments about the efforts the Alaska broadband office will need to undertake and how to staff for those efforts. He agreed that adequate staffing is critical to ensure compliance between the state and the grantees and the state and the federal government. He also highlighted the importance of using technical resources to inform strategic processes and evaluate the technical viability of grant applications. He voiced support for the paid position for the technologist and dedicating substantial bandwidth to the effort.

[2:18:43 PM](#)

MR. GOLDSTEIN turned his attention to the issue of mapping. He questioned having a mechanical engineer on the technical advisory committee and emphasized the need for the committee to have expertise in mapping and socioeconomic analysis. He agreed that while the amount of money Alaska is slated to receive is unprecedented, but pointed out that it will not bring fiber to all areas of the state. Some areas will be oversubscribed in the grants received and some will be left out. The idea of mapping and a socioeconomic analysis is to ensure a methodology for allocating spending for both fiber and wireless. He voiced support for the technology agnosticism in that regard.

MR. GOLDSTEIN highlighted that Alaska is unique among all states in the number of Native villages and entities interested in Educational Broadband Service (EBS) frequencies. He opined that the Commerce authority was the right track.

MR. GOLDSTEIN provided specific recommendations on the 363 language. Under the powers to make grants and loans he strongly suggested:

- In addition to unserved and under-served communities, add the term "community anchor institutions." Both the U.S. Treasury and IIJA allow grant programs and grants specifically to schools, libraries and higher education. In some circumstances health care is also allowed. He said that category is in statute for both of the large pools of money, so it makes sense to recognize the granting authority for those kinds of institutions directly.
- In addition to the focus on infrastructure deployment, he suggested mentioning the power and scope to develop and manage digital equity initiatives and grant programs in the digital equity space. For example, \$3 billion in block grants and \$15 billion for consumer monthly subsidies is moving to the state. Digital equity that is not consumer subsidies is usually for things like giving away devices and services and paying for community centers.

CHAIR COSTELLO thank him for the review and expressed appreciation for his expertise.

2:23:50 PM

MARK SPRINGER, representing self, Bethel, Alaska, stated that he is a private consultant who currently is working in the tribal broadband arena. He mentioned Ms. McCall's review of the latest version and said he was pleased that the provision for the parity adjustment fund was removed. There is no need for it if the extension of fiber to rural areas results in costs comparable to what Anchorage is paying. He commented on and provided suggestions in the following areas:

- It will be a huge job for the broadband office to write regulations, particularly in the area of applicant qualifications for the loans.
- He suggested the advisory board specifically have a telecommunications representative and a community-based taskforce
- He urged including capacity for Alaska Public Broadcasting and the Public Broadcasting System (PBS) to improve programming into rural Alaska.
- He mentioned the authority of the broadband office and urged respect for the inherent sovereignty of Alaska Native

tribes to develop and carry out their own broadband planning for the federal funding they receive. There should be no concern that a state plan may override a tribe's plan to provide service.

- Regardless of the system a village has, the Middle Mile will be reaching back to connect to all the other networks in Alaska and the country so that shouldn't be an issue.

[2:27:38 PM](#)

MR. SPRINGER concluded his comments saying his wish is that the final bill does not contain the provision for the parity adjustment fund and that it does maintain the neutrality of the advisory board.

CHAIR COSTELLO thanked him for his testimony.

[2:28:30 PM](#)

SHAWN WILLIAMS, Vice President of Government Affairs and Strategy, Pacific Dataport, Anchorage, Alaska, provided the following prepared testimony on HB 363:

[Original punctuation provided.]

We are the locally-owned satellite middle mile provider - located in Anchorage - launching two satellites over 100% of Alaska and connecting more than 110,000 rural Alaskans with broadband. Our first of two satellites will launch in August and the second will launch in 2024.

I'm going to keep my testimony short and simple. The committee substitute (CS) version that Chair Costello is bringing forward today is supported by the stakeholders who previously had concerns about HB 363. It takes into consideration what other states have actually done to simply establish an office of broadband. This CS has several changes that are important to us:

- Removes the non-sensical parity fund
- Adjusts for better provider representation and community engagement
- Includes all the IIJA requirements known to date
- Promotes competition



- Does not deprioritize the tribes in the award consideration process
- Includes all technologies possible and
- Establishes a broadband office with the goal of serving every household in Alaska

Finally, Chair Costello's CS has the changes we needed and wanted. We appreciate that this CS version prioritizes the unserved and works to organize Alaska's broadband funding. We encourage the spirit of competition and anything that promotes broadband expansion, efficiency, lower prices, better service, competition, and a free market - we believe the new CS version does this.

I would like to thank this committee and our bill sponsor for addressing such a major challenge for Alaska.

[2:30:35 PM](#)

LESIL MCGUIRE, Consultant, OneWeb, Anchorage, Alaska, stated that OneWeb was the first company to build a low earth orbit (LEO) constellation for more powerful connections for Alaskans and others. She noted that she was also testifying as a lifelong Alaskan who cares deeply about the policies that will be established for broadband. She advised that she joined OneWeb in the belief that having capacity from the first LEO satellite constellation is one of the many solutions needed to close the digital divide.

To date, she said OneWeb has successfully launched 423 satellites so it now fully covers Alaska and the Arctic. They also have four meaningful partnerships with Alaska companies and tribes. She invited the members to the Anchorage office for a demonstration.

She provided the following comments on the Senate committee substitute for HB 363:

- Carefully consider the composition of the broadband office and Broadband Advisory Board to ensure a subjective outlook.
- She liked the way the SCS interweaves a strong broadband office mission in the findings section.
- An advisory board that is scientifically oriented will make objective decision making more likely.

- Ensure the grant process is overseen by people with the expertise to understand the difficulties associated with building broadband projects.
  - Ensure sufficient capital and technology underpinnings to move to fruition
- She voiced support for the community-engagement taskforce pulling in a myriad of stakeholders.
- Importantly, the SCS provides a strong framework and a good interweaving of legislative objectives with flexibility in the IIJA regulation process.
- She voiced support for the definitions section, particularly for "underserved area" and "unserved area."
- She liked the adherence to the Administrative Procedures Act because it gives the public the opportunity to see the proposed regulations throughout the process.

MS. MCGUIRE expressed appreciation for the open-minded, curious technology approach of the Senate CS for HB 363 and emphasized the importance of laying the right foundation for awarding the grants.

CHAIR COSTELLO thanked her for her service to the state in her current capacity and also as a former member of the Senate.

SENATOR STEVENS said he was pleased to hear her voice and her presence as a member of the Senate was missed.

MS. MCGUIRE thanked him for the warm comments.

SENATOR MICCICHE said he too appreciated hearing her voice.

CHAIR COSTELLO listed the individuals online to answer questions.

[2:39:25 PM](#)

BRITTANY WOODS-ORRISON, Broadband Specialist, Alaska Public Interest Research Group and Native Movement, Fairbanks, Alaska, stated that her position was created recently to educate users on broadband issues and create a network of advocates to overcome the digital divide. She described Alaska as one of the most disconnected states in the nation and pointed out that indigenous communities are disproportionately affected. She conveyed her belief that the 2.5 gigahertz spectrum licenses that the FCC has awarded to Alaska tribes were the key to helping tribes employ their own people, control their own networks, and resolve their own issues. She highlighted the

importance of knowing the geography of an area to successfully build out broadband and pointed out that the people living in these indigenous communities already possess that knowledge.

[2:41:40 PM](#)

CHAIR COSTELLO closed public testimony on HB 363.

[2:41:47 PM](#)

At ease

[2:45:45 PM](#)

CHAIR COSTELLO reconvened the meeting and stated she would hold HB 363 in committee to allow the members to review the SCS. She noted that she would not adjourn the meeting until later in the day.

#### **SB 181-IDENTIFICATION OF CONTRACTOR IN ADS**

[2:46:11 PM](#)

CHAIR COSTELLO announced the consideration of SENATE BILL NO. 181 "An Act relating to identification requirements for contractors."

She noted that this was the first hearing and the intention was to hear the introduction, take public testimony, respond to questions, and look to the will of the committee.

[2:46:40 PM](#)

SENATOR SHELLEY HUGHES, Alaska State Legislature, Juneau, Alaska, sponsor of SB 181, paraphrased the following sponsor statement:

[Original punctuation provided.]

Since 1968, contractors and home inspectors in the State of Alaska have been statutorily required to list their name, mailing address, and registration number in all advertising. Additionally, contractors have had a fourth requirement of listing their principal place of business in any advertisements. This requirement can incur great expense for contractors, particularly those looking to advertise in print, radio, or television where each additional word or line increases the cost. Furthermore, contractors and home inspectors in Alaska may operate more than one registered business which are advertised together.

This may require the contractor to list multiple registration numbers within the same advertisement.

Senate Bill 181 amends the current statute by allow contractors and home inspectors to substitute their internet website or landing page in their advertisements which contains the statutorily required identifying information rather than list all the required information directly within the advertisement. Additionally, this bill requires contractors to specify that the internet website or landing page provided contains the information required under statute for the benefit of the viewer of the ad.

These amendments are proposed in order to spare costs and streamline the advertisement process for contractors and home inspectors.

[2:48:48 PM](#)

DANIEL PHELPS, Staff, Senator Shelley Hughes, Alaska State Legislature, Juneau, Alaska, presented the sectional analysis for SB 181 on behalf of the sponsor:

[Original punctuation provided.]

**SB 181: IDENTIFICATION OF CONTRACTOR IN ADS  
Version G**

"An Act relating to identification requirements for contractors."

**Sectional Analysis Version B**

**Section 1 - AS 08.18.051 (b) - Page 1, Line 3 through Page 1, Line 12**

Amends AS 08.18.051 regarding identification requirements for contractors in advertisements. The new language specifies that a contractor's internet website or landing page satisfies the contractor's identification requirements in advertisements so long as it contains the identifiers required under AS 08.18.051 and the advertisement states that the required information is contained on the contractor's Internet website or landing page.

**Section 2 - AS 08.18.053 (b) - Page 1, Line 13 through Page 2, Line 6**

Amends AS 08.18.053 regarding identification requirements for home inspectors in advertisements. The new language specifies that a home inspector's internet website or landing page satisfies the home inspector's identification requirements in advertisements so long as it contains the identifiers required under AS 08.18.051 and the advertisement states that the required information is contained on the home inspector's Internet website or landing page.

**Section 3 - AS 08.18.171 - Page 2, Line 7 through Page 2, Line 10**

Amends AS 08.18.171 by adding a definition of "landing page" to the definitions for Alaska Statute Title 8 Chapter 18.

CHAIR COSTELLO asked if other states had similar legislation and if the original notice requirements apply in communities that don't have internet access.

MR. PHELPS replied that this provides an option for contractors to use the internet. The original language remains in statute and the required information is the same whether the advertisement is online or not.

CHAIR COSTELLO asked if there was any specific support or opposition to the legislation.

SENATOR HUGHES said her office had heard no opposition to the bill and the industry was supportive. She deferred to Mr. Phelps to discuss the support.

2:51:25 PM

MR. PHELPS advised that the bill had received verbal support from ADT and the Division of Corporations, Business, and Professional Licensing and the companion House bill had written support from the Alaska General Contractors Association. He offered to provide a copy of that letter.

CHAIR COSTELLO asked if there were any consumer protection concerns the committee should be aware of, and if an agency was charged with checking that the contractor's internet website or landing page for the required information actually existed.

SENATOR HUGHES said it would have to come to the attention of the Department of Commerce, Community and Economic Development (DCCED) and she believes the department is open to such reports.

To the question about a business that advertises in an area that has no internet, she said she believes a business in that situation would make sure their information was available as required under the current statute.

SENATOR MICCICHE asked if someone who advertises on a website or Facebook page would fall under the definition of "contractor" if this legislation were to pass.

[2:54:32 PM](#)

GLENN HOSKINSON, Deputy Director, Division of Corporations Business and Professional Licensing, Department of Commerce, Community and Economic Development, Juneau, Alaska, advised that anyone who is advertising, offering, or performing services that fall under the definition of "construction contractor" must be licensed and this legislation doesn't change that. The only change SB 181 makes is to allow contractors to show their website address in lieu of listing the required information on the advertisement.

[2:55:22 PM](#)

CHAIR COSTELLO opened public testimony on SB 181; finding none, she closed public testimony on the bill.

She stated she would hold the bill for future consideration.

[2:55:52 PM](#)

At ease

[2:56:09 PM](#)

CHAIR COSTELLO reconvened the meeting.

[2:56:12 PM](#)

SENATOR MICCICHE moved to report CSSB 181(CRA), work order 32-LS1404\G, from committee with individual recommendations and attached fiscal note(s).

CHAIR COSTELLO found no objection and CSSB 181(CRA) was reported from the Senate Labor and Commerce Standing Committee.

#### **SB 237-AMBULATORY SURGICAL EMPLOYEES: OVERTIME**

[2:56:38 PM](#)

CHAIR COSTELLO announced the consideration of SENATE BILL NO. 237 "An Act exempting certain ambulatory surgical center employees from overtime pay requirements; and providing for an effective date."

She noted that this was the first hearing and Deputy Commissioner Munoz would provide the introduction.

2:57:18 PM

CATHY MUNOZ, Deputy Commissioner, Department of Labor and Workforce Development, Juneau, Alaska, thanked the committee for hearing SB 237 that would exempt certain ambulatory surgical centers employees from the requirements of overtime pay.

She explained that federal and state laws govern the payment of overtime. For purposes of paying overtime, federal law defines the threshold as more than a 40-hour work week and state law further defines the threshold as greater than 40 hours per week or eight hours per day. AS 23.10.060 lists a number of professions that are exempt from the eight-hour threshold for calculating overtime. This list includes hospital employees who work in the direct provision of medical services.

SB 237 adds employees working in ambulatory surgical centers who provide direct medical care to the list of professions exempted from the eight hour daily threshold for purposes of overtime calculation. Importantly, the federal 40-hour work week threshold would still apply, just as it applies to all the exempted professions in state law.

MS. MUNOZ said this change provides parity. Ambulatory surgical centers would be able to offer the same flexible scheduling to employees that provide direct medical care as hospital employees in similar positions.

She noted that Alecia Rathlin was available to answer questions about the wage and hour law.

2:59:43 PM

SENATOR STEVENS asked if this means that someone who has already worked an eight-hour day could be taking care of a surgery patient such as himself.

MS. MUNOZ responded that current law allows hospitals to offer flexible scheduling within the 40-hour work week such as four 10-hour days or three 12 hour days. SB 237 would provide the same option to ambulatory surgical centers.

SENATOR STEVENS expressed dismay.

MS. MUNOZ replied it isn't a requirement. It's a scheduling option that hospitals are able to offer these certain employees and employees from ambulatory surgical centers have requested the same scheduling flexibility. She described it as a recruitment tool.

CHAIR COSTELLO asked Senator Stevens if he would like Alecia Rathlin to respond to his concern.

SENATOR STEVENS said yes; he asked Ms. Rathlin for her perspective of the bill.

3:01:15 PM

ALECIA RATHLIN, Investigator, Wage and Hour Office, Division of Labor Standards and Safety, Department of Labor and Workforce Development (DOLWD), Anchorage, Alaska, explained that Alaska wage and hour law does not prohibit employees from working more than eight hours a day, but they must be paid overtime for the time they work over that threshold. SB 237 provides an exemption for that overtime pay.

SENATOR STEVENS summarized his understanding that the bill doesn't change the work day or week; it's just about doing away with overtime pay.

MS. RATHLIN agreed.

3:02:07 PM

CHAIR COSTELLO opened public testimony on SB 237.

3:02:21 PM

PAM VENGEN, Executive Director, Alaska State Medical Association (ASMA), Anchorage, Alaska, stated that ASMA represents physicians throughout Alaska and she was speaking in support of SB 237, which would make it easier for surgery centers to schedule employees. Nurses and other surgical staff who work in hospitals have the option of working a longer shift than an eight hours. A typical schedule for these employees is to work three 12-hour days and have four days off in a week. SB 237 would allow ambulatory surgery centers to offer similar flexible schedules to their surgical employees, which would place them on equal footing with hospitals and make it easier to attract and retain surgery staff. She clarified that the schedule would be an option for employees, not a requirement. The medical association supports this bill.



SENATOR STEVENS asked if she thought this would lead to more people working more than eight hours a day.

MS. VENGEN replied that the number of people working more than 8 hours a day might increase, but the bill does not change the 40 hour per week threshold for paying overtime. Anyone who works more than 40 hours per week would be paid overtime. She reiterated that the bill simply allows surgery centers the same flexible scheduling that hospitals offer.

SENATOR STEVENS asked if this was a money saving effort.

MS. VENGEN replied it would save some money by not paying overtime, but these employees currently have no option other than to work five days a week. Employees who might want to work three 12-hour shifts each week currently do not have that option if they work for a surgery center. Only hospitals are able to offer these schedules.

SENATOR STEVENS said it didn't make sense that somebody who had worked a 12 hour day might be doing surgery.

MS. VENGEN clarified that the bill does not apply to surgeons; it's about medical support staff.

SENATOR STEVENS maintained his position.

MS. VENGEN pointed out that hospital employees who work in the direct provision of medical services currently have the option and do work those shifts.

[3:06:03 PM](#)

SENATOR GRAY-JACKSON offered her understanding that SB 237 allows flex time.

MS. VENGEN answered yes, and noted that representatives from surgery centers were online to answer questions.

[3:06:31 PM](#)

SENATOR MICCICHE asked if she was saying that hospitals currently are able to offer this scheduling. He also asked where in statute health care centers that are hospitals are separated from health care centers that are ambulatory surgery centers.

MS. VENGEN replied that current statute allows hospitals to offer flex time, but surgery centers are not mentioned. She deferred further comment to Ms. Munoz.

MS. MUNOZ directed attention to the provision regarding payment of overtime in AS 23.10.060(d)(12).

(d) This section does not apply to

(12) an employee of a hospital whose employment includes the provision of medical services;

SENATOR MICCICHE observed that this places ambulatory surgery centers on an equal footing with hospitals. He said he assumes that overtime would be paid to employees in both hospitals and ambulatory surgery centers who work more than 40 hours in a week.

MS. MUNOZ answered that the 40 hour threshold is federal law and that doesn't change. The bill exempts the eight hour per day threshold.

[3:08:19 PM](#)

CHAIR COSTELLO questioned whether this might result in fewer people volunteering to work overtime.

MS. MUNOZ deferred the question to representatives from surgical centers, but pointed out that representatives and employees brought the idea forward.

CHAIR COSTELLO asked Ms. Vengen for her perspective.

MS. VENGEN replied the employee would have the choice of working five eight-hour days with an opportunity for some overtime or three 12-hour days without any overtime.

SENATOR STEVENS maintained the position that someone who works more than eight hours in a day should be paid overtime.

SENATOR GRAY-JACKSON relayed that the Municipality of Anchorage offers employees nine 80s, which is to work 80 hours in a two week period in nine days. She asked if that would be an option, should the bill pass

[3:10:19 PM](#)

MS. RATHIN said she believes the two separate overtime exemptions are being conflated. The overtime exemption for flex plans requires the employee to agree to participate voluntarily. The exemption proposed in SB 237 does not require voluntary participation by the employee.

SENATOR GRAY-JACKSON clarified that she was just providing an example.

CHAIR COSTELLO turned to public testimony.

[3:11:22 PM](#)

KEVIN BARRY, CEO, Alaska Surgery Center (ASC), Anchorage, Alaska, stated strong support for SB 237 to give ambulatory surgery centers the option of offering current and prospective surgical staff the option of a flexible work schedule.

MR. BARRY pointed out that working people place more value on family time now and they're choosing work options that are more flexible. Current state law restricts surgery centers from offering flex schedules even though hospitals have this option, which is a distinct disadvantage.

MR. BARRY said Alaska has a shortage of health care professionals and the center's recent interviews have shown that nurses in particular want the option of working 12 hour shifts. When candidates have asked about working 12-hour shifts the center has had to explain that surgery centers are not allowed to offer that option. Many of the nurses stated that was the only reason they turned down the job offer. They view this as an important option for their personal and family life.

SB 237 would allow surgery centers to offer the same shift options to medical staff that hospitals enjoy. It has nothing to do with taking away overtime. Shifts that are overtime eligible after eight hours will still be available. SB 237 simply puts surgery centers on equal footing with hospitals.

[3:14:20 PM](#)

SENATOR STEVENS asked if the idea was to save money by not paying overtime.

MR. BARRY replied this would be an option. Employees may choose to stay on an eight-hour five days a week shift.

SENATOR STEVENS asked if it would save the center money by not paying overtime.

MR. BARRY replied it would save the center some overtime pay, but the employee would have four days off each week and that's what they're asking for.

SENATOR STEVENS pointed out that the center could offer 12-hour shifts and pay overtime after eight hours. He maintained his view that this was avoiding paying overtime.

MR. BARRY said the center only schedules employees for eight hours and if they work more than that they're paid overtime. But if the goal is to work just three days a week and be employed full time, it would be an advantage for the surgery center and the employee if this option were available.

SENATOR STEVENS offered his understanding that the center was still saving money by not paying overtime.

MR. BARRY agreed, [should SB 237 pass,] that the center would not pay overtime for those employees that chose the option to work just three days a week and be employed full time.

CHAIR COSTELLO asked Mr. Jayne to provide his testimony and respond to any questions that have come up.

3:16:09 PM

BRUCE JAYNE, CEO/Administrator, Surgery Center of Anchorage (SCA), Anchorage, Alaska, stated strong support for SB 237. He said he's worked in health care for 39 years, both in hospitals and ambulatory surgery centers. He related that one thing that appeals to people starting a nursing career is the ability to work the shifts they choose. Nurses are in demand and hospitals are able to offer three 12-hour shifts in a week if that's what the nurse wants. Many like the option of a four-day weekend. He agreed with Mr. Barry that nurses are asking for this option but it's not an option for ambulatory surgery centers at this time.

In response to Senator Steven's concern, he said SCA does not run its operating rooms for 12 hours, but it does provide extended patient care. He agreed that, should SB 237 pass, SCA wouldn't pay overtime to medical staff who opt to work three 12-hour shifts per week, but that's generally what nurses were asking for.

MR. JAYNE said many hospital medical staff are accustomed to working 12-hour shifts and like the lifestyle it affords. That's still what they're looking for when they decide they want to change to a different type of facility. Not being able to accommodate such requests inhibits a surgery center's ability to recruit in this market, he said.

SENATOR STEVENS said he agrees that employees should have the choice, but it seems that the advantage of passing the bill is that surgery centers wouldn't have to pay overtime to employees who work 12 hours. He asked if that was true.

MR. JAYNE replied that would be part of the outcome, but the goal of the legislation is to put surgery centers on equal footing with hospitals for the purposes of recruiting staff.

[3:20:03 PM](#)

SENATOR MICCICHE said he didn't have a problem with the bill since hospitals already have this option, but he was curious about the three letters of opposition. He expressed interest in hearing that perspective.

CHAIR COSTELLO asked if the surgery center offers this schedule.

MR. JAYNE said there are two nurses who work flex 10s; they wanted the shift specifically for their home life.

[3:22:04 PM](#)

MARY HOPKIN, representing self, Anchorage, Alaska, stated that she is a nurse who manages an operating room in a surgery center, and she requested this legislation. In the past the state Board of Nursing has denied a 12-hour shift to surgery centers and they want this option. The center currently offers 8 and 10 hour shifts and any work beyond those predetermined times is considered overtime. She expressed the desire to be on equal footing with the hospital in hiring staff. People want 12-hour shifts because it works for their personal and family life, but the only places that offers that currently are hospitals.

CHAIR COSTELLO asked her to talk about a 12-hour shift and if there is any downtime or a diminution of energy at the end of the shift.

MS. HOPKINS said someone who is working a 12-hour shift isn't necessarily going to be working at high acuity for all 12 hours. They're doing other things to help run the surgery center.

[3:24:35 PM](#)

SENATOR GRAY-JACKSON asked, if SB 237 passes, would an employee who works a regular eight hour shift receive overtime if they worked more than eight hours.

MS. HOPKINS said her understanding is they would receive overtime. In the surgery center people are hired for 5 8s, or 4,

10s, or 3 12s and any work beyond that predetermined number of hours is considered overtime.

SENATOR GRAY-JACKSON said she asked the question to get the answer on the record.

[3:25:42 PM](#)

BRIAN BERG, Leadership Team, Alpine Surgery Center (ASC), Anchorage, Alaska, stated that working shifts that are longer than eight hours is an option that is available to nurses in certain settings, but these shifts are not eligible for overtime. Whether or not to choose a longer shift is a personal choice. It is not a mandate or a way to restrict pay or a way to prevent a nurse from receiving the overtime benefit. It is a quality of life choice some nurses are looking for. A nurse who chooses a 12 hour shift has appropriate breaks, lunch time, and down time to ensure safe and quality standards of patient care are maintained.

SB 237 proposes to extend the ability to offer longer than eight hour shifts to ambulatory surgery centers so they can offer nurses the same schedules that hospitals are able to offer.

[3:27:36 PM](#)

CHAIR COSTELLO closed public testimony on SB 237.

[3:27:41 PM](#)

At ease

[3:31:14 PM](#)

CHAIR COSTELLO reconvened the meeting.

SENATOR MICCICHE asked where in statute it says hospitals can offer 12-hour shifts.

MS. MUNOZ answered that the exemption is in the overtime section that she read into the record earlier. She deferred to Ms. Rathlin to discuss the law that specifically addresses overtime for nurses.

[3:32:20 PM](#)

MS. RATHLIN explained that there are two separate exemptions. The first exempts hospitals from the overtime requirement, and it is this statute that SB 237 proposes to amend to include ambulatory surgery centers. The second exemption is found in AS 23.10.060(d)(14) pertaining to flex plans. Employers must specifically apply to the Wage and Hour Office for approval of a

flex plan and the statute limits those to up to 10 hours per day. This statute would prevent the Wage and Hour Office from approving an employer request for of a 3 12s schedule.

CHAIR COSTELLO asked if another approach would be to amend the flex plan statute by extending the 10 hour limit to 12 hours.

MS. RATHLIN agreed that would work.

SENATOR GRAY-JACKSON said she'd like to see the statute.

[3:34:34 PM](#)

CHAIR COSTELLO explained her reasoning was to amend the section of law pertaining to flex plans and extend the 10 hour limit to 12 hours.

SENATOR MICCICHE pointed out that AS 23.10.060(d)(12) is specific to hospitals and if the statute relating to flex plans were amended it would apply to all employers, not just ambulatory surgery centers that made the specific request.

He observed that AS 23.10.060(d)(12) doesn't specifically say that someone hired for an eight hour per day five days per week schedule would be paid overtime if they worked more than eight hours in a day.

[3:36:51 PM](#)

MS. MUNOZ said federal law requires employers to pay overtime for work in excess of 40 hours per week. The specific addition of ambulatory surgery centers under the exemption in AS 23.10.060(d)(12) allows for the exemption of the eight hour threshold. She agreed that amending the flex plan exemption would be a broader umbrella. She suggested Ms. Rathlin clarify that for the record.

[3:37:31 PM](#)

MS. RATHLIN confirmed that was accurate.

CHAIR COSTELLO commented on the health and safety reasons for limiting work hours for certain professions and noted that the bill extends what hospitals are already able to offer certain employees to ambulatory surgical centers. She opined that it comes down to how comfortable the committee is with that idea.

SENATOR MICCICHE posed a hypothetical situation of an employee with a 4 10s schedule who works 12 hours the first three days of the week. He said his concern is that an employer might send

that employee home after they work four hours on Thursday, even if they're needed, to avoid the federal 40/hour/week threshold for paying overtime. He restated his wish to hear from people who opposed the legislation to understand whether that was their concern.

3:40:57 PM

SENATOR GRAY-JACKSON said it's a good point because some people really want overtime.

CHAIR COSTELLO advised that three letters of opposition have been mentioned, but one individual wrote two of those letters; one to her as chair and another letter to the committee.

She asked Mr. Barry to address the concerns that have been articulated during the hearing.

MR. BARRY stated that the bill is not intended to take advantage of anybody or game the system. Should the bill pass, ambulatory surgery centers would still offer eight and ten hour shifts. The bill would simply allow these centers to offer 12 hour shifts. Nurses primarily are asking for this option and it's already available if they work in a hospital. Prospective employees are turning down work in surgery centers because they can't get the longer shifts that they want or have become accustomed to.

3:43:30 PM

CHAIR COSTELLO said she believes that the individual who wrote one of the letters of opposition misunderstands the effect of the bill. She read the following excerpt:

Singling out the medical field on this bill is wrong and unfair. Often times we are asked to stay past our 8 hour shift to complete ELECTIVE surgeries. Taking away overtime pay for 8 hour shifts will breed reluctance to stay and work later. This is an incentive to stay, and taking it away is wrong.

CHAIR COSTELLO asked Mr. Barry to confirm that a person who signs up for an eight-hour shift will receive overtime if they work longer than eight hours in a day.

MR. BARRY said that's correct and said the same is true for a 10-hour shift. He also noted that the federal threshold always applies so someone who works 4 10s and comes to work on day five will be paid overtime on that day. He clarified that a surgery center can't operate with all employees on a 12-hour shift, but



they want to be able to make that offer. He restated that everyone who works overtime is paid overtime and SB 237 wouldn't eliminate that.

CHAIR COSTELLO summarized that ambulatory surgery centers are only able to offer eight- and ten-hour shifts, although current and prospective employees are asking for the option to work 12-hour shifts. Only hospitals are able to offer 12-hour shifts and surgery centers may lose prospective employees as a result.

MR. BARRY said that's correct but it's not that they may go to hospitals; that's already happening. Some people are accustomed to a 12-hour shift and like the lifestyle it affords.

SENATOR MICCICHE said he didn't object to moving the bill. He believes that ambulatory surgery centers should be on equal footing with hospitals in this regard. He commented that the individual who objected to the bill may not realize that hospitals already have this ability.

CHAIR COSTELLO offered her belief that the [title] caused some of the confusion. She asked Mr. Barry if someone who is on a 12-hour shift ever works overtime.

MR. BARRY said it hasn't happened at the Alaska Surgery Center and he couldn't see that it would, but if that happened they would be paid overtime.

MS. MUNOZ pointed out that there is a shortage of health care workers and COVID has made people aware of the benefit of having more flexibility in their work schedules. Anything that makes employment in this industry more attractive is worth considering.

[3:47:56 PM](#)

At ease

[3:48:35 PM](#)

CHAIR COSTELLO reconvened the meeting and solicited a motion.

[3:48:40 PM](#)

SENATOR MICCICHE moved to report SB 237, work order 32-GS2117\A, from committee with individual recommendations and attached zero fiscal note(s).

CHAIR COSTELLO found no objection and SB 237 was reported from the Senate Labor and Commerce Standing Committee.

[3:49:18 PM](#)

CHAIR COSTELLO recessed the meeting to a call of the chair.

[6:54:46 PM](#)

CHAIR COSTELLO reconvened the meeting. Present at the call to order were Senators Gray-Jackson, Micciche, and Chair Costello.

**HB 363-BROADBAND: OFFICE, GRANTS, PARITY**

[6:54:58 PM](#)

CHAIR COSTELLO announced the consideration of CS FOR HOUSE BILL NO. 363(FIN) "An Act establishing the office of broadband; creating the broadband parity adjustment fund; establishing the Statewide Broadband Advisory Board; and providing for an effective date."

She solicited a motion to adopt Amendment 1.

[6:55:13 PM](#)

SENATOR MICCICHE moved Amendment 1 to HB 363.

**AMENDMENT 1**

HB 363  
Version D

Page 2, line 31:  
Remove "30"  
Insert "15"

[6:55:30 PM](#)

CHAIR COSTELLO objected for discussion purposes. She explained that the amendment reduces the time to maintain the infrastructure for a broadband project from 30 years to 15 years. Earlier in the meeting the committee heard testimony that the lifecycle of broadband infrastructure is about 15 years and that 30 years didn't align with the federal legislation.

CHAIR COSTELLO removed her objection; finding no further objection, Amendment 1 passed.

[6:56:29 PM](#)

At ease

[6:56:49 PM](#)

CHAIR COSTELLO reconvened the meeting and voiced support for the bill.

SENATOR MICCICHE commented that the federal money to extend broadband throughout the state was unprecedented and HB 363 was an important piece to make it happen.

SENATOR GRAY-JACKSON said she was excited about the bill and what it will mean to citizens in rural communities in particular.

[6:57:55 PM](#)

SENATOR MICCICHE moved to report the [Senate] committee substitute for HB 363, work order 32-LS1527\D as amended, from committee with individual recommendations and attached fiscal note(s).

[6:58:11 PM](#)

CHAIR COSTELLO found no objection and SCS CSHB 363(L&C) was reported from the Senate Labor and Commerce Standing Committee.

[6:58:22 PM](#)

There being no further business to come before the committee, Chair Costello adjourned the Senate Labor and Commerce Standing Committee meeting at 5:58 p.m.